



Philip L. Browning
Director

COUNTY OF LOS ANGELES

Child Support Services Department



March 26, 2004

TO: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

FROM: Philip L. Browning
Director

SUBJECT: **CHILD SUPPORT COMPLIANCE PROGRAM REVISIONS**

On December 16, 1997, your Board approved the ordinance establishing the Child Support Compliance Program (CSCP). The ordinance became effective on June 8, 1998. The Board requested the District Attorney (now the Child Support Services Department or CSSD) to report concerning the effectiveness of the program as well as recommend changes and enhancements for its administration. Based upon actual implementation experience and recommendations from the Administrative Deputies Network, the Chief Administrative Office and County Counsel, the Child Support Services Department requests substantial modifications to the program as set forth below. These revisions will serve to revise the scope of the program, improve its administration, and significantly lessen the administrative burden to County departments. The most significant changes include:

- The certification of compliance with the CSCP through contract language requiring prospective contractors and/or employees, who may benefit financially from the County, to certify that they were and are in compliance with all orders for child, family or spousal support and that they have and are adhering to a policy consistent with this chapter.
- The deletion of the provisions requiring potential County vendors to report their independent contractors and principal owners to the County. Principal owner information is now available to the CSSD through the Franchise Tax Board and the 1099 process, rendering the previous reporting mechanism superfluous.

- The inclusion of language in all new and renewed contracts valued over \$5,000 that those contractors which do not fully comply with State and Federal reporting requirements for their employees or with all lawfully served wage assignments and notices of assignments are in breach of their contracts and said contracts, without cure of the defect, are subject to termination. Further, the revised contract language shall provide notice that failure to comply with the requirements of this chapter may be cause for debarment under Los Angeles County Code Chapter 2.202.
- The deletion of the provisions requiring the Auditor-Controller to send the names of new hires or existing County employees to the CSSD. This information is now obtained by CSSD electronically through regular data matches with the State and Federal government agencies.

In summary, the Child Support Compliance Program has served a valuable purpose in educating new and existing County employees and prospective contractors and vendors of the Board's goal of ensuring that those individuals who benefit financially from the County are in compliance with their court-ordered obligations of child, spousal and family support. The primary purpose for the CSCP, as initially drafted, was to assist the County's child support agency to secure information concerning County contractors, vendors and employees that were eluding the locate mechanisms then available to the Department. Since the implementation of this program, several State and Federal legislative enactments have provided electronic access to the information that was made available in a less automated fashion through the CSCP. Currently, CSSD has more access to electronic data from its State (and Federal) partners such as the Franchise Tax Board (FTB), Economic Development Department (EDD), Department of Justice (DOJ), Department of Motor Vehicles (DMV), New Hire Employee Registry (NER), Independent Contractor Registry (ICR), Federal Case Registry (FCR) and other such databases that have made the information received from the CSCP duplicative. Further, the implementation of the program has led to delays in the procurement process and increased workloads for the County departments and CSSD staff. For these reasons, the Department requests substantial modifications to the Child Support Compliance Program ordinance which will revise its scope, improve the management of the program and significantly lessen the administrative burden to the County departments.

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The attached modified ordinance has been prepared by County Counsel. The Chief Administrative Office will issue revised instructions to all County departments on Board adoption of the modified ordinance, with County Counsel approval.

PLB:LMG:lm

Attachment

c: Chief Administrative Officer
County Counsel
Internal Services Department

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ANALYSIS

This ordinance will significantly change the requirements for the Child Support Compliance Program. It will eliminate the requirements for private entities contracting with the County to report principal owner information, as well as, eliminate other reporting and data collection. Under the amended ordinance, private entities entering new contracts with the County would only be required to register their employees in the State New Hire Registry and comply with all wage assignments and garnishments lawfully served by the Child Support Services Department. Contracts with a total value of less than \$5,000 are exempted.

LLOYD W. PELLMAN
County Counsel

By



RICHARD E. TOWNSEND
Assistant County Counsel
Probate Division

11/19/03
ret

ORDINANCE NO. _____

An ordinance amending the Los Angeles County Code, Title 2 --Administration relating to the Los Angeles County Child Support Compliance Program.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 2.200.010 is hereby amended to read as follows:

2.200.010 Findings and declarations.

The board of supervisors finds that compliance with court-ordered child, family, or spousal obligations is in the public interest and benefits all residents of the County of Los Angeles. Unpaid support obligations have required the County and its taxpayers to protect the public health and welfare by providing a large array of social, medical and other services for the benefit of children and families to whom these support obligations are owed and to bear the cost of maintaining one of the largest support enforcement systems in the United States.

~~Nonpayment of child, family and spousal support is the leading cause of childhood poverty and welfare dependency in the United States. Los Angeles County has commenced prosecuting more than 512,000 child support cases, and opens more than 7,000 new cases each month. This represents the largest local child support enforcement program in the United States. The widespread failure to comply with court-ordered child, family and spousal support obligations evidenced by this enormous caseload endangers the public health and welfare of children and families in Los Angeles County.~~

~~Unpaid support obligations have required the county and its taxpayers to protect the public health and welfare by providing a large array of otherwise unneeded social, medical and other services for the benefit of children and families to whom these support obligations are owed and to bear the cost of maintaining one of the largest support enforcement systems in the United States. Billions of dollars of unpaid support obligations have created an immense economic burden upon the county and its taxpayers.~~

Therefore, the board of supervisors establishes the goal of ensuring that individuals who benefit financially from the County through employment, or contracts, ~~or by the issuance of a business license~~ are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

~~It is the Board's intent to help ensure greater effectiveness of the effort to collect unpaid child support by assisting the district attorney in identifying and tracking employment as well as business and other assets of those who owe support obligations. By its support of this chapter and its continued efforts to gather the information necessary to successfully enforce support obligations, the board finds that the district attorney has made a continuing request pursuant to the Public Records Act for county employment information.~~

SECTION 2. Section 2.200.020 is hereby amended to read as follows:

2.200.020 Required Contract Language Definitions.

~~Except as expressly provided in this section, the definitions set forth in Chapter 2.02 shall apply to construction of this chapter. For purposes of this Chapter 2.200, the terms set forth below shall have the following significance:~~

~~_____ A. "Business licensee information" means the name and social security number, if available, of an owner of record of a business who has applied for a new or renewed business license.~~

~~_____ B. "Contractor information" means a new or existing contractor's name, social security number, if available, and whether or not the contractor has been issued any payment for goods provided or services performed for Los Angeles County.~~

~~_____ C. "Employment information" means a new or existing employee's name and title, and whether or not he or she receives any compensation from the county of Los Angeles insofar as disclosure of this information is authorized by the Public Records Act, Government Code Section 6254(c) or in response to a request made in accordance with Welfare and Institutions Code Sections 11478, 11478.1 or 11478.8.~~

~~_____ D. "Existing contractor" means any individual, partnership or other entity contracted by the county to provide goods or to perform services when performance under the contract commenced prior to the operative date of this chapter.~~

~~_____ E. "Existing employee" means an individual who was an employee of the county prior to the operative date of this chapter.~~

~~_____ F. "New contractor" means an individual, partnership or other entity contracted or seeking to contract to provide goods or to perform services for the county when performance under the contract commences on or after the operative date of the ordinance codified in this chapter.~~

~~_____ G. "New employee" means an individual who becomes an employee or is reinstated as an employee of the county after the operative date of this chapter.~~

~~_____ H. "Principal owner" means any individual who owns an interest of 10 percent or more in a new or existing contractor as defined herein.~~

~~_____ I. "Principal owner information" means a principal owner's name and title and whether or not the principal owner has been issued any payment by the new or existing contractor.~~

All new and renewed contracts shall contain language which (a) requires the contractor to fully comply with all applicable state and federal reporting requirements relating to employment reporting for its employees; (b) requires the contractor to fully comply with all lawfully served wage and earnings assignment orders and notices of assignment; (c) provides that failure to comply with state and federal reporting requirements regarding employees, or failure to implement lawfully served wage and earnings assignment orders or notices of assignment, constitutes a default under the contract, and failure to cure the default within 90 days of notice by the County shall subject the contract to termination; and (d) informs the contractor that failure to comply with these requirements may be cause for debarment.

SECTION 3. Section 2.200.030 is hereby amended to read as follows:

~~2.200.030 Operative date.~~ Licensing records.

~~This chapter shall become operative upon the issuance by the chief administrative officer of the instructions to county departments concerning implementation of the chapter as provided in Section 2.200.040.~~

Upon request by the Child Support Services Department, the treasurer and tax collector is directed to report business licensee information to the Child Support Services Department not less than quarterly.

SECTION 4. Section 2.200.040 is hereby amended to read as follows:

~~2.200.040 County reporting.~~ Contracts Under \$5,000.

~~For the purpose of implementing this chapter, the chief administrative officer shall prepare and issue appropriate instructions to all county department heads including protocols to maintain information in confidence when legally required. These instructions shall be reviewed and approved by the county counsel prior to issuance. These instructions shall require the county to report employment and contractor information to the district attorney in order to assist the district attorney in the performance of support enforcement activities. County department heads are directed to comply with these instructions and to assure that such information is reported in a timely manner to the district attorney on a quarterly basis.~~

This chapter shall not apply to contracts with a total value of less than \$5,000.

SECTION 5. Sections 2.200.050 to 2.200.090 are hereby deleted in their entirety.